

30 August 1957

MEMORANDUM FOR: Acting Director of Central Intelligence  
THROUGH: Deputy Director (Support) *131 LKW* AUG 30 1957  
SUBJECT: 1957 Report on Estimated Foreign, Positive, Strategic Intelligence Costs Compiled by the Bureau of the Budget

1. The attached summary of foreign, positive, strategic intelligence costs has been reviewed and the amounts shown for CIA agree with those submitted to the Bureau of the Budget. The only variation from our figures involves adjustments made by the Bureau of the Budget by reflecting under the Department of State three costs for which CIA reimbursed that agency. This adjustment, however, was in conformance with information submitted to them by us. The CIA estimates are based on the program budget of the Agency and are the best figures which we could compile.

2. In the discussions with the staff members of the Bureau of the Budget who prepared this material, it is understood that a great deal of the information contained in it is estimated. The character of those estimates is indicated generally with the accompanying notes. The validity of these figures, therefore, might be subject to some question. It seems, however, that the major item which might be discussed with the Director of the Bureau of the Budget involved primarily the allocation of intelligence activities between the various agencies concerned. Certain areas of activity might be of particular interest, primarily in the collection phase of intelligence. There have been some questions raised from time to time concerning the degree of clarification between assignments in the COMINT field. Similar questions have been raised more recently in the ELINT field. The Bureau is under the impression that there is relatively little effective coordination on the collection of ELINT intelligence. It is quite possible that Mr. Brundage might be interested in discussing these particular problems.

3. The report has been reviewed by the Acting Deputy Director (Intelligence) who has no comments to submit.

*E. R. SANDERS*  
E. R. SANDERS  
Comptroller

Attachment

COMP/BD/ERS/CNM/sms/ny  
(30 Aug 1957)

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<b>Remarks:</b> <p>The attached report prepared by the Bureau of the Budget was referred to Mr. Sheldon, Acting DD/1, who after reviewing, stated that he had no formal comments to submit. The comments submitted by the Inspector General have been reviewed, but I have made no reference to them in my memorandum to the Acting Director, since I believe that his comments were made without knowing the background and purpose of the report together without knowing that CIA information was furnished by this Agency, and that the information ties in with our budget presentation.</p> <p style="text-align: right;">J. P. SAUNDERS</p>			
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<b>Remarks:</b>  <p>For comments and suggestions for Acting DCI's talk with Brundage.</p> <p>A copy has been sent to the IG.</p> <p>← Comp - for compliance w/ above</p> <p>2 to 3. A copy of the attached should be distributed to [redacted] in his new capacity as Deputy Director (Coordination). /T/ERS.</p>															
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*Approp. (Budget)*

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T/S 164720/a - Let to Mr. Dulles fr Percival Brundage dtd 21 Aug 57 enclosing six copies of tabulations of intelligence cost estimates for FY 57 together w/ comparative data for FY 56.

16725, 74924, 74920, 164753, DD/S 68-1768

For report by Bureau of Budget on Costs for FY 58  
see TS 141167, 74952, 165046/a, and 165046.

